

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into the ratemaking implications for Pacific Gas and Electric Company (PG&E) pursuant to the Commission's Alternative Plan for Reorganization under Chapter 11 of the Bankruptcy Code for PG&E, in the United States Bankruptcy Court, Northern District of California, San Francisco Division, In re Pacific Gas and Electric Company, Case No. 01-30923 DM.

Investigation 02-04-026
(Filed April 22, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING REGARDING
AMENDED ENERGY DIVISION DECLARATION AND COMMENT**

1. Summary

Energy Division shall file and serve an Amended Declaration, and parties may file and serve comments, consistent with the dates in the attached schedule.

2. Background

On April 15, 2002, the Commission filed with the United States Bankruptcy Court for the Northern California District of California an alternative Plan of Reorganization (POR) for Pacific Gas and Electric Company pursuant to Chapter 11 of the Bankruptcy Code. After further proceedings at the Bankruptcy Court, the Commission's Disclosure Statement and POR were subsequently dated May 17, 2002.

As required by the Scoping Memo and Ruling dated July 17, 2002, the Energy Division Director filed and served a Declaration on July 24, 2002. The

Declaration addressed the ratemaking implications of the Commission's POR, whether or not the resulting rates are just and reasonable, and other matters that need to be decided by the Commission in order to implement the Commission's POR. The declaration is based on the Commission's May 17, 2002 Disclosure Statement and POR.¹

On August 22, 2002, the Commission announced that it had reached agreement with the Official Committee of Unsecured Creditors (Creditors) regarding modifications to the Commission's POR. On August 30, 2002, the Commission and Creditors filed its First Amended POR and Supplemental Disclosure with the Bankruptcy Court. The First Amended POR and Supplemental Disclosure are posted on the Commission's web page. On September 10, 2002, the Energy Division filed the First Amended POR and Supplemental Disclosure with the Commission's Docket Office.

3. Discussion

The record should reflect the ratemaking implications of the amended POR and Supplemental Disclosure. Specifically, Energy Division should file and serve an amended Declaration that addresses the ratemaking implications of the amended POR, whether or not the resulting rates are just and reasonable, and any other matters that need to be decided by the Commission in order to implement the amended POR.

Energy Division shall file and serve the amended Declaration by the date in the attached schedule. Parties may file comments on the amended

¹ On August 6, 2002, Energy Division filed one copy of the Commission's May 17, 2002 Disclosure Statement and POR with the Commission's Docket Office. (See Rulings dated July 23, 2002, and August 19, 2002.)

Declaration. Comments shall be filed and served by the date in the attached schedule.

Counsel for Creditors will be added to the information only portion of the service list. This will ensure service of a copy of this ruling on Creditors, as well as subsequent rulings, draft decisions, and Commission decisions.

IT IS RULED that:

1. Energy Division shall file and serve an amended Declaration based on the First Amended Plan of Reorganization and Supplemental Disclosure dated August 30, 2002 for Pacific Gas and Electric Company jointly sponsored by the Commission and the Official Committee of Unsecured Creditors. The amended Declaration shall address the matters stated in the body of this Ruling. The amended Declaration shall be filed and served by the date set forth in Attachment A.

2. Parties may file and serve comments on the Energy Division's amended Declaration. Comments shall be filed and served by the date set forth in Attachment A.

3. Process Office shall add the following entry to the information only portion of the service list, and a copy of this ruling shall be served on:

Paul S. Aronzon
Robert Jay Moore
Milbank, Tweed, Hadley & McCloy LLP
601 South Figueroa Street, 30th Floor
Los Angeles, CA 90017
Telephone: 213-892-4000
Facsimile: 213-629-5063

Dated September 17, 2002, at San Francisco, California.

/s/ BURTON W. MATTSON

Burton W. Mattson
Administrative Law Judge

ATTACHMENT A

**AMENDED SCHEDULE
September 4, 2002**

I.02-04-026

DATE	EVENT
September 24, 2002	Energy Division files and serves amended Declaration
October 1, 2002	Parties file and serve comments on amended Declaration
October 1, 2002	Revised projected submission date

(END OF ATTACHMENT A)

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail on those with electronic mail addresses, this day served a true copy of the original attached Administrative Law Judge's Ruling Regarding Amended Energy Division Declaration and Comments on all parties of record in this proceeding or their attorneys of record.

Dated September 17, 2002, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.